

AOT in Action

Welcome to AOT in Action, your weekly e-newsletter from the Arizona Office of Tourism (AOT).

A Message from Director Sherry Henry:

Good morning,

In celebration of National Park Week, April 17-25, the National Park Service will be waiving entrance fees to all national parks and monuments in Arizona! I encourage everyone to take advantage of this tremendous opportunity to visit one or two of these magnificent national parks or monuments that are right in our own backyard.

Each year, these natural destinations attract millions of visitors who travel to experience the unforgettable scenery and exhilarating outdoor activities these places offer. In fact, as of December 2009, nearly 12 million visitors traveled to Arizona to visit one of these amazing destinations.

For a complete list of Arizona's <u>national parks and monuments</u>, visit <u>www.nps.gov</u>.

Have a great week!

AOT News

The DEADLINE is Here! One Week Left to Send in Nominations for Governor's Tourism Awards!

The Arizona Office of Tourism and our partners are busy coordinating plans for the next annual Governor's Conference on Tourism, July 12-14, at Loews Ventana Canyon Resort in Tucson. The conference is the premier event for members of the travel industry to participate in dynamic work sessions and listen to informative guest speakers.

In addition to the conference, AOT coordinates the **Governor's Tourism Awards**, honoring individuals and organizations that have contributed noteworthy achievements over the past year to the betterment of the tourism industry. These award recipients are fine examples of leadership, commitment and teamwork that have helped make the Grand Canyon State a premier travel destination.

AOT invites you to review the 2010 award categories and guidelines and submit nominations of individuals or organizations that have made a significant contribution to the tourism industry. The winners will be awarded at the Governor's Tourism Awards Luncheon on Tuesday, July 13. All submissions must be received by **April 16, 2010**. Please visit the <u>Governor's Conference on Tourism</u> section of <u>www.azot.gov</u> for award categories, guidelines and nomination forms.

Look for future editions of **AOT in Action** for Governor's Conference on Tourism registration information!

Upcoming Events & Activities

French Tour Operator Road Show

Date: April – May

Location: Lille, Toulouse and Nantes

Japanese Receptive Operator Sales Mission (Las Vegas)

Date: April 17

Location: Las Vegas, NV

AAA/CAA FAM Tour Date: April 28 – May 2

Location: Glendale, Greater Phoenix Area, Grand Canyon and Wickenburg

Industry News

Grand Canyon to Waive Entrance Fees During National Park Week

The National Park Service (NPS) will be celebrating National Park Week in Grand Canyon National Park by waiving entrance fees April 17 – 25.

Secretary of the Interior Ken Salazar announced free admission for National Park Week on March 23. "We are rolling out the red carpet and inviting everyone to visit a national park..." he said. He also encouraged visitors to take advantage of this opportunity to get outside and reconnect with nature. "Parks are fun and affordable...places to engage in healthy, outdoor activities, whether for a few hours or a few days."

Visitors who arrive at Grand Canyon National Park April 17 - 25 will be allowed to enter free of charge and will receive a \$0 receipt good through April 25. Those who plan to spend time in the park beyond the 25th will need to pay the regular entrance fee for the remainder of their stay.

Park visitors are reminded that the fee-free designation applies to entrance fees only and does not affect fees for camping, reservations, tours or use of concessions. Park entrance stations will have Interagency Senior and Annual Passes available for those who wish to purchase them.

During National Park Week, park visitors are encouraged to watch for special offers on tours, food and souvenirs provided by park concessioners. Some of these are already listed at http://www.parkpartners.org/Special-Offers-for-2010.html.

In addition, the NPS, Grand Canyon Association, and concessioners Xanterra South Rim, L.L.C. and Delaware North Parks and Resorts will be celebrating the 40th anniversary of Earth Day on Thursday, April 22. There will be family friendly games, displays, information, scavenger hunts, food tastings and more at the South Rim's Market Plaza. Everyone is encouraged to stop by between the hours of 10:00 a.m. and 2:00 p.m. to join in the fun and to learn more about the greening of Grand Canyon.

National Park Week is an opportunity to engage families and communities in America's Great Outdoors, reconnecting them with nature and creating opportunities for people to get outside, be active, and have fun. This year's fee-free designation makes it the perfect week to visit Grand Canyon National Park.

For more information on fee-free opportunities in park units around the country, please visit www.nps.gov/npweek. To learn more about visiting Grand Canyon National Park, visit the park's web site at www.nps.gov/grca, or have a free Trip Planner mailed to you by calling 928-638-7888.

For additional information on Grand Canyon's Earth Day celebration, contact Deirdre Hanners at 928-638-7627; and to learn more about Grand Canyon's efforts to go green, please visit http://www.nps.gov/grca/naturescience/the-greening-of-grand-canyon.htm.

Hospitality Industry Poised for Growth, Says Ernst & Young

Despite the challenges of 2009, the hospitality industry is poised for growth in 2010, concludes a report from Ernst & Young's Global Hospitality practice. Titled Global Hospitality Insights: Top Thoughts for 2010, the report analyzes trends in valuation, financing, government, tourism and acquisitions, among other things, and predicts the results will bode well for hotels in the next 12 months.

"There are a number of trends that make up the proverbial silver lining for the industry, such as growth in tourism, advancing restructuring efforts and improving fundamentals," said Global Hospitality Insights editor Tim Behle, senior manager in E&Y's Global Hospitality practice. "With restructuring efforts by owners and lenders further intensifying, the industry is poised to emerge on a stronger financial and operational footing," he said. While tourism growth and continued debt restructuring will create opportunities for hotels, valuation and financing will

continue to create challenges, according to Ernst & Young. (<u>www.MiMegasite.com</u>; Travel Advance, April 5)

Hotel Room Taxes Rising

More cities, counties and states are looking to raise taxes on hotel rooms as they battle budget shortfalls and cuts in services, USA Today reports. Among those increasing taxes or considering it: Baltimore, Scottsdale, Ariz.; Santa Clara, Calif.; and Connecticut. Taxing visitors is an old habit for local governments. Revenue from taxes on hotel rooms and rental cars have long been used to fund tourism promotion, build stadiums and repair roads. While the taxes can infuriate travelers, they're seen as a politically palatable option in tough economic times. (*Page 1A, USA Today; Travel Advance, April 5*)

Bills Would Limit Off-Road Vehicles in Parks

The dustup between all-terrain vehicle enthusiasts and land conservationists is intensifying this year as more people go in search of places to ride and more groups race to protect large portions of public lands. Three bills under consideration by Congress would grant wilderness protection to more than 34 million acres of land. And 13 million acres in 11 states are under consideration for new National Monument designation, says the Interior Department. If those proposals become law, motorized vehicles would be barred in such lands in Alaska, Arizona, California, Colorado, Montana, Nevada, New Mexico, Oregon, Utah, Washington and Wyoming. The number of off-road vehicles grew 230 percent from 3 million in 1993 to 10 million vehicles in 2008, according to U.S. Forest Service estimates. (Page 3A, USA Today; Travel Advance, April 6)

Summer Airfares Sales are Back

Airlines are rolling out the summer travel bargains as they battle for recession-weary passengers who are slowly returning to the air. AirTran and Southwest set off the latest flurry with sales that began Monday and were soon matched by American, Delta, US Airways and Continental, says Rick Seaney, CEO of Farecompare.com. It's the fourth round of sales in a month. But while the sales are coming fast, flyers may miss out if they wait for last-minute bargains that travelers got in the depths of the recession. Cuts in service by the airlines and demand from restless travelers are driving ticket prices higher than last year, fare watchers say. Tom Parsons, CEO of Bestfares.com, says some ticket prices for summer travel could be 10 percent to 20 percent steeper than last year. But a good deal is still available for those who look. (Page 1B, USA Today; Travel Advance, April 7)

US Airways, UAL in Merger Talks

United Airlines and US Airways, the two biggest advocates of consolidation in the U.S. airline industry for the past decade, are again discussing a merger that could create one of the world's largest airlines, sources close to the matter said Wednesday. The two are in talks about a combination that would create the nation's second-largest airline. The deal would be modeled on the Delta-Northwest combination, which was a stock swap without a cash component. Neither airline would comment on the report. Based on 2009 traffic, a combined United-US Airways would be nearly as big as Delta Air Lines, which became the world's largest airline after buying Northwest.

It is unclear which name would survive, where the combined company would be based, or who would run it. The two airlines talked about combining in 2008. They walked away then citing high fuel prices, but didn't rule out a future deal. (Pages A1, New York Times; A1, Wall Street Journal; 1B, USA Today; www.latimes.com/Business; www.ChicagoTribune.com/Business; AP; Travel Advance, April 8)

International Visits up 10% in January

The Commerce Department says 3.4 million international visitors traveled to the U.S. in January, an increase of 10 percent over January 2009. The figure marks the fourth straight month of increases in U.S. arrivals, Commerce said. International visitors spent \$10.3 billion in January, 3 percent less than in January 2009. January 2010 marked the 15th consecutive month in which U.S. travel and tourism-related exports were lower than when compared to the same period of the previous year. (Special to TA)

The Commerce Department's Canada Travel Trade Barometer reported that Canada bookings to the U.S. ended 2009 on a hopeful note, with fourth quarter 2009 bookings, on average, on par with the same period in 2008. However, Canada tour operators reported that 2009 bookings were down 4 percent to 9 percent, on average, compared to 2008 bookings. Bookings in both the first and second quarters of 2010 are projected to be flat or to fall, respectively. (Special to TA; Travel Advance, April 8)

Hotel Rates May Bounce Back

The hotel industry could be bouncing back more quickly than originally expected. That means rates won't stay as low as travelers might have hoped. This week, Smith Travel Research revised upward its outlook for 2010. Because hotel occupancy levels currently look better than STR expected in the U.S., "we think the recovery will pick up its pace during the second and third quarters of this year, then it will look moderate," says Mark Lomanno, president of STR. STR predicts that occupancy will increase 1.9 percent in 2010 to 55.8 percent. Revenue per available room will only decrease 0.5 percent instead of the previous forecast of a 3.2 percent decrease. (Page D7, Wall Street Journal; Travel Advance, April 8)

Tribe to Open New Resort, Casino Next Week

The Salt River Pima-Maricopa Indian Community near Scottsdale is set to open a new resort and casino on the reservation next week.

A soft opening for the Talking Stick Resort is set for April 15, and guests can start staying there the following night. The official debut is in June.

The \$450 million resort will have 240,000 square feet of gaming, about 500 hotel rooms, conference space, eight restaurants, a spa, and a cigar and wine bar.

One of the restaurants - Ocean Trail - is at the top of the 15-story resort and has 360-degree views of the Sonoran Desert. (East Valley Tribune.com, April 8)

Impact of Social Media on Travel Studied

PhoCusWright examines the impact of social media has had on travel in its new report titled "Social Media in Travel: Traffic & Activity." Yesterday's more passive consumers and Web surfers

are today's content generators, collaborators and commentators, according to PhoCusWright. This fundamental change in how consumers are using the Web is having an enormous impact on online travel, according to the report. "There continues to be a big gap between the enormous promise of social media and the current reality of realizing and measuring those returns," said Douglas Quinby, senior director of research at the firm.

"With our partners, we analyzed nearly 1.9 million traveler reviews and visitor referral and conversion traffic from more than 50 social travel Web sites, as well as general social networking sites like Facebook and Twitter. The result is the most extensive research into where and how online travelers are creating, consuming and acting upon social content." The report looks at the relationship between social network use and travel shopping and behavior and analyzes the behavior of online travelers who are also social network and Twitter users. (www.TravelPulse.com, 4/6; Travel Advance, April 9)

Arizona's Cactus League Attendance Tops Florida's

The power shift is on for spring training baseball. Arizona's Cactus League topped Florida's Grapefruit League in spring training attendance by 43,121 fans, or 3 percent. Figures from both leagues show the Cactus League drew 1.47 million fans while Florida's ballparks attracted 1.42 million this year. It was the second straight year the Cactus League drew more fans than the Grapefruit League, which has been losing teams to Arizona for a decade. There are now 15 teams in each league.

Robert Brinton, Cactus League Association president, said that Arizona's stadiums are larger than those in Florida and he knew the Cactus League would eventually surpass the Grapefruit League's attendance. "I'll take a small win," he said, noting that league officials in both states are very competitive. "They're quick to remind us that we don't count attendance right."

The Cactus League counts tickets issued, including complimentary ones, while the Grapefruit League only counts paid admission. Brinton said he has not analyzed attendance figures and hotel occupancy numbers for March, but he expects that tourism associated with spring training contributed more than \$300 million to the Arizona economy.

To keep that tourism revenue flowing, the Cactus League teams, their host cities and lawmakers are working on options to fund stadium improvements. "Our issues are what we do for the future," Brinton said. "How do we renovate and how do we make sure we remain strong?"

Meanwhile, Florida has made its pitch to lure the Chicago Cubs from Mesa, which would reset the playing field in a big way. The Cubs led the Cactus League in average attendance at 10,892 and finished second to the San Francisco Giants in overall attendance. San Francisco drew 155,819 fans to Scottsdale Stadium. The two spring leagues are evenly split now that the Cincinnati Reds are sharing Goodyear Ballpark with the Cleveland Indians. The Reds lured 66,725 fans in 16 games during their first year in Arizona after leaving Sarasota, Fla.

Nick Gandy, Florida Sports Foundation spokesman, said the Grapefruit League's attendance average was up 10 percent and the overall totals were hurt by 19 rained-out games. "Without the rainouts it would have been close," he said of attendance between the two spring leagues.

Florida officials, after making their best run at the Cubs, are keeping an eye on developments in Arizona. "I'd be surprised if anything would happen with the Cubs," Gandy said. "It's the highest drawing team. It would be like the Yankees or Red Sox leaving Florida"

Arizona first surpassed Florida in spring attendance last year in an extended season that included World Baseball Classic exhibition games. The Cactus League filled its stadiums in 2009 with a record 1.58 million fans in 246 games. The Grapefruit League drew 1.56 million in 259 games. This spring, the Cactus League played 219 games and had seven games rained out. The Grapefruit League played 215 games with the 19 rainouts. Two years ago, Florida drew 22 percent more fans than Arizona. (Arizona Republic, April 9)

SAVE the DATE: Arizona Highways Travel Show – May 22 & 23

The Arizona Highways Travel Show provides an opportunity for communities, along with industry-related organizations and companies to promote their tourism destinations directly to potential customers in the Phoenix market.

The Arizona Highways Travel Show had an extremely successful inaugural show last year and looks to build upon that success. More than 100 exhibitors participated in last year's event where more than 3,000 attendees were looking for travel locations and things to do in the summer and fall in Arizona.

Show Details:

Arizona Highways Travel Show Phoenix Convention Center – Hall F May 22 & 23, 2010 10:00 a.m. – 5:00 p.m.

To register for a booth at the show:

www.arizonahighwaystravelshow.com

Booth prices start at: \$650.00 – opportunities to share a booth are available

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Calendar of Events

Visit <u>www.ArizonaGuide.com</u> to find information on all the exciting <u>events</u>, <u>festivals and</u> <u>activities</u> held throughout the Grand Canyon State!

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